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FCRU's Response to Staff's 2nd
Interrogatories Nos. 21-25

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for Original Certificate of)	DOCKET NO. 20190168-WS
Authorization and Initial Rates and Charges)	
for Water and Wastewater Service in Duval,)	FILED: July 10, 2020
Baker and Nassau Counties, Florida by)	
FIRST COAST REGIONAL UTILITIES,)	
INC.)	
)	

FIRST COAST REGIONAL UTILITIES, INC.'S RESPONSES TO
STAFF'S SECOND INTERROGATORIES
TO FIRST COAST REGIONAL UTILITIES, INC.

First Coast Regional Utilities, Inc. ("Applicant" or "FCRU"), pursuant to rule 1.340, Florida Rules of Civil Procedure, responds to Staff's Second Interrogatories to Applicant.

Interrogatory 21: Please explain in detail the demographics of the proposed service territory including any anticipated seasonality as well as percentage of seasonality.

Response: The demographics for the Duval County portion of the property is based upon the current zoning allowing for: 11,250 single-family and 3,750 multi-family residential; 750,000 gross square feet of commercial; and 300,000 gross square feet of office space. The Nassau County property is zoned commercial and industrial so no residential housing is anticipated. The Baker County property will likely be a mixture similar to the Duval property. Seasonality will depend on the product mix as the property is developed.

Interrogatory 22: It is Commission practice to recover no more than 40 percent of the water revenues through the base facility charge (BFC) with the exception of a seasonal customer base. In Witness Swain's Testimony, Schedule 5, on pages 2, the utility proposed a 74

percent BFC allocation for its water. Please explain why the Utility believes this allocation is appropriate for this case.

Response: The rates were designed to provide rate stability to the utility.

Interrogatory 23: It is Commission practice to recover no more than 50 percent of the wastewater revenues from the base facility charge with the exception of a seasonal customer base. In Witness Swain's Testimony, Schedule 5, on page 3, the utility proposed a 74 percent BFC allocation for its wastewater. Please explain why the Utility believes this allocation is appropriate for this case.

Response: The rates were designed to provide rate stability to the utility.

Interrogatory 24: The utility proposed a reclaimed water rate for residential customers shown on Schedule 5, page 1. The Commission evaluates the pricing of reclaimed water based on rates charged by other reclaimed water providers in the area. Please explain how the utility determined the reclaimed water rate.

Response: We reviewed reclaimed water rates charged by nearby utilities, in particular Clay County Utilities, which at the time charged \$.76/1000 gallons for up to 15,000 gallons.

Interrogatory 25: The Commission sets initial residential customer deposits based on two times the average residential consumption for the 5/8" x 3/4" meter size and two times the estimated bill for all general service meter sizes. Please explain the utility's methodology for determining the initial customer deposit and if different from the Commission methodology, please provide why the utility believes it is appropriate.

Response: We calculated customer deposits equal to approximately two times an average bill.

While the customer deposits were calculated at \$400 for residential, and \$600 for general service for combined water and sewer, or twice the estimated bill, a review of the tariffs, however, erroneously lists the customer deposits as \$400 and \$600 each for water and sewer.

Respectfully submitted this 10th day of July, 2020, by:

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing has been furnished via electronic mail to the following this 10th day of July, 2020.

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